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15 February 1950

MEMORANDUM FOR: DIRECTOR

SUBJECT: Situation Reports

REFERENCE: Letters from State and Army, both dated Feb. 10th
re discontinuance of Situation Reports.

1. State prefers to have the Situation Reports discontinued, but will go along with us if we complete the program as now scheduled - 4 fully coordinated and the remaining 12 not coordinated, except by State (?).

2. The Army, however, wishes to have this program "discontinued forthwith" (after the 4 coordinated ones are completed) as it also has a guilty conscience and thinks it should participate if we go ahead with this program. Nothing has been heard from the others.

3. We think that this Basic Intelligence will be useful to more than just the Army and that it should be continued and, if necessary, annotated that it has not been coordinated with the Army. Why has such Basic Intelligence outrun its usefulness so soon? If true, why should we continue the NIS??!!

4. Re the Army's enclosed "IAC Agreement": - We think this is merely the Army's ~~reaction~~ before the house; that no such formal statement is appropriate for the IAC; if they wish to vote for it that is their affair; the DCI can receive this "advice" without following it; or, if anything like this "agreement" is issued, it should come from the DCI, not the IAC.

We recommend, as the subject of Situation Reports probably will be brought up at this week's IAC Meeting, that the DCI say that we shall look into their usefulness but can make, at this time, no further commitments, other than to ask those present if it is true that they really are no longer useful. If they agree that they are not useful, then why is the NIS useful?

Presumably this basic intelligence will be needed some day so we could finish compiling it so far as possible in CIA and keep it in the deep freeze without publishing it, if in fact the recipients really think it no longer useful. It raises great doubt,

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I should say, on the whole usefulness of the NIS.

We think Army merely wishes to get out of doing some work, so is saying at this time that this work is no longer useful. Later on it may say the same about the NIS when its personnel and funds are cut back further. And yet I thought it was the agency that wanted more Basic Intelligence than any of the others!



PRESCOTT CHILDS
Coordination, Operations
and Policy Staff

cc: AD/ORE

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